United Nations A/63/648/Add.3

General Assembly

Distr.: General
30 December 2008

Original: English

Sixty-third session
Agenda item 118

Programme budget for the biennium 2008-2009

Report of the Fifth Committee

Rapporteur: Mr. Patrick A. **Chuasoto** (Philippines)

I. Introduction

1. The previous recommendations made by the Fifth Committee to the General Assembly under agenda item 118 appear in the report of the Committee contained in documents A/63/648 and Add.1 and 2.

2. The Fifth Committee resumed its consideration of this item, and in particular the question of information and communications technology, enterprise resource planning, security, disaster recovery and business continuity, at its 10th and 28th meetings, on 22 October and 23 December 2008. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/63/SR.10 and 28).

3. For its consideration of the question, the Committee had before it the following documents:

(a) Report of the Secretary-General on investing in the United Nations for a stronger Organization worldwide: interim report: investing in information and communications technology (A/61/765);

(b) Report of the Secretary-General on the feasibility of the application of cost-accounting principles in the United Nations Secretariat (A/61/826);

(c) Report of the Secretary-General on information and communications technology security, disaster recovery and business continuity for the United Nations (A/62/477);

(d) Report of the Secretary-General on investing in information and communications technology: status report (A/62/502);

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(e) Report of the Secretary-General on information and communications technology: enterprise systems for the United Nations Secretariat worldwide (A/62/510/Rev.1);

(f) Report of the Secretary-General on investing in information and communications technology: information and communications strategy for the United Nations Secretariat and the addendum thereto (A/62/793 and Corr.1 and Add.1);

(g) First progress report of the Secretary-General on the adoption of International Public Sector Accounting Standards by the United Nations (A/62/806);

(h) Report of the Advisory Committee on Administrative and Budgetary Questions (A/61/478);

(i) Report of the Advisory Committee on Administrative and Budgetary Questions (A/61/804);

(j) Report of the Advisory Committee on Administrative and Budgetary Questions;[1]

(k) Report of the Advisory Committee on Administrative and Budgetary Questions (A/62/537);

(l) Report of the Advisory Committee on Administrative and Budgetary Questions (A/63/487 and Corr.1 and 2);

(m) Report of the Advisory Committee on Administrative and Budgetary Questions (A/63/496);

(n) Notes by the Secretary-General transmitting the report of the Joint Inspection Unit entitled "A common payroll for United Nations system organizations" (A/60/582) and the comments of the Secretary-General and those of the United Nations System Chief Executives Board for Coordination thereon (A/60/582/Add.1);

(o) Notes by the Secretary-General transmitting the report of the Joint Inspection Unit entitled "Policies of the United Nations system organizations towards the use of open source software in the secretariats" (A/60/665) and the comments of the Secretary-General and those of the United Nations System Chief Executives Board for Coordination thereon (A/60/665/Add.1);

(p) Note by the Secretary-General on information and communication technology security, business continuity and disaster recovery (A/61/290);

(q) Notes by the Secretary-General transmitting the report of the Joint Inspection Unit entitled "Knowledge management in the United Nations system" (A/63/140) and the comments of the Secretary-General and those of the United Nations System Chief Executives Board for Coordination thereon (A/63/140/Add.1).

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[1] A/62/7/Add.31. For the final text, see *Official Records of the General Assembly, Sixty-second Session, Supplement No. 7A*.

II. Consideration of draft resolution A/C.5/63/L.18

4. At its 28th meeting, on 23 December, the Committee had before it a draft resolution entitled "Information and communications technology, enterprise resource planning, and security, disaster recovery and business continuity" (A/C.5/63/L.18), submitted by the Chairman of the Committee on the basis of informal consultations coordinated by the representative of Malaysia.

5. At the same meeting, the Committee adopted draft resolution A/C.5/63/L.18 without a vote (see para. 6).

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Information and communications technology, enterprise resource planning, and security, disaster recovery and business continuity

The General Assembly,

Recalling its resolutions 57/304 of 15 April 2003, 59/275 of 23 December 2004, 60/283, section II, of 1 July 2006 and 62/250 of 20 June 2008,

Having considered the report of the Secretary-General entitled "Investing in information and communications technology: information and communications strategy for the United Nations Secretariat"[1] and the addendum thereto,[2] the report of the Secretary-General entitled "Information and communications technology: enterprise systems for the United Nations Secretariat worldwide",[3] the report of the Secretary-General on information and communications technology security, disaster recovery and business continuity for the United Nations[4] and the related report of the Advisory Committee on Administrative and Budgetary Questions,[5] the first progress report of the Secretary-General on the adoption of International Public Sector Accounting Standards by the United Nations[6] and the related report of the Advisory Committee on Administrative and Budgetary Questions,[7] the report of the Secretary-General entitled "Investing in information and communications technology: status report"[8] and the related report of the Advisory Committee on Administrative and Budgetary Questions,[9] the note by the Secretary-General on information and communication technology security, business continuity and disaster recovery[10] and the related report of the Advisory Committee on Administrative and Budgetary Questions,[11] the report of the Secretary-General entitled "Investing in the United Nations for a stronger Organization worldwide: interim report: investing in information and communications technology"[12] and the related report of the Advisory Committee on Administrative and Budgetary Questions,[13] the notes by the Secretary-General transmitting the report of the Joint Inspection Unit on policies of the United Nations system organizations towards the use of open source software in the secretariats[14] and the comments of the Secretary-

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[1] A/62/793 and Corr.1.
[2] A/62/793/Add.1.
[3] A/62/510/Rev.1.
[4] A/62/477.
[5] A/63/487 and Corr.1 and 2.
[6] A/62/806.
[7] A/63/496.
[8] A/62/502.
[9] A/62/7/Add.31. For the final text, see *Official Records of the General Assembly, Sixty-second Session, Supplement No. 7A*.
[10] A/61/290.
[11] A/61/478.
[12] A/61/765.
[13] A/61/804.
[14] A/60/665.

General and those of the United Nations System Chief Executives Board for Coordination thereon,[15] the notes by the Secretary-General transmitting the report of the Joint Inspection Unit on knowledge management in the United Nations system[16] and the comments of the Secretary-General and those of the United Nations System Chief Executives Board for Coordination thereon,[17] and the report of the Secretary-General on the feasibility of the application of cost-accounting principles in the United Nations Secretariat[18] and the related report of the Advisory Committee on Administrative and Budgetary Questions,[19]

Underlining the importance of information and communications technology in meeting the growing demands of the Organization as it becomes increasingly reliant on its information technology and communications infrastructure,

Also underlining the importance of information and communications technology in strengthening oversight and accountability and in increasing the availability of accurate and timely information to support decision-making,

1. *Reaffirms* that the Fifth Committee is the appropriate Main Committee of the General Assembly entrusted with responsibilities for administrative and budgetary matters;

2. *Recalls* the role of the Secretary-General as the Chief Administrative Officer of the Organization, in accordance with the provisions of Article 97 of the Charter of the United Nations;

3. *Recognizes* the need for central authority to set common standards, provide an organization-wide perspective, optimize use of resources and improve information and communications technology services;

4. *Also recognizes* the need for an integrated, global information system that makes possible the effective management of human, financial and physical resources and that is based on streamlined business processes and best practices;

5. *Further recognizes* the need for a global operational framework to enable the United Nations to respond effectively to emergency situations that may impair the operations of critical elements of its information and communications technology infrastructure and facilities;

6. *Endorses* the conclusions and recommendations contained in the reports of the Advisory Committee on Administrative and Budgetary Questions,[5,9] subject to the provisions of the present resolution;

I
Information and communications technology strategy and governance

Recognizing the importance of the Secretary-General's knowledge management proposals, particularly in facilitating more informed decision-making and improving the effectiveness of the Organization,

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[15] A/60/665/Add.1.
[16] A/63/140.
[17] A/63/140/Add.1.
[18] A/61/826.
[19] A/62/537.

Emphasizing the importance of strong, central leadership for the establishment and implementation of Organization-wide information and communications technology standards and activities in order to ensure efficient utilization of resources, modernization of information systems and improvement in the information and communications technology services available to the United Nations,

1. *Recognizes* that the successful integration of central information and communications technology functions across the Secretariat is essential to achieving coherence and coordination in the work of the Organization and between the Secretariat and the funds, programmes and specialized agencies;

2. *Notes* the intention of the Secretary-General to establish the Office of Information and Communications Technology in a budget-and-staff-neutral manner;

3. *Stresses* the need for a simple and operationally effective information and communications technology governance structure with clear lines of authority and accountability;

4. *Decides* to establish the Office of Information and Communications Technology as an independent organizational unit under a separate budget section, to be headed by the Chief Information Technology Officer at the level of Assistant Secretary-General;

5. *Emphasizes* that there is no single governance model for information and communications technology that can be assumed to be solely appropriate for the United Nations;

6. *Notes* the considerable level of expertise in the International Computing Centre, and requests the Secretary-General to continue to utilize the services of the Centre in supporting the information and communications technology activities of the United Nations;

7. *Requests* the Secretary-General to ensure that the centralization and integration of the information and communications technology functions under the Office of Information and Communications Technology do not have any negative impact on the support provided to field operations worldwide;

8. *Encourages* the Secretary-General, as Chairman of the United Nations System Chief Executives Board for Coordination, to foster deeper coordination and collaboration among United Nations organizations in all matters related to information and communications technology;

9. *Requests* the Secretary-General, in accordance with its resolution 58/269 of 23 December 2003, to submit a revised strategic framework to the Committee for Programme and Coordination at its forty-ninth session in the light of the programmatic aspects of the revision arising from the creation of the Office of Information and Communications Technology;

10. *Also requests* the Secretary-General to report to the General Assembly on his information and communications technology strategy at the main part of its sixty-fifth session, including on:

(a) Any necessary adjustments to the governance structure to make it simpler and operationally effective as a policy setting and management instrument;

(b) An update on such management and reporting arrangements;

(c) An in-depth assessment of the organizational arrangement, including the possibility of changing the placement of the Office of Information and Communications Technology in the structure of the Organization;

(d) A comprehensive inventory of information and communications technology capacities across the Secretariat, including dedicated and part-time personnel;

(e) More precisely identified and quantified efficiency gains or benefits expected from the implementation of the information and communications technology strategy;

(f) The methodology and benchmarks used to identify and measure those benefits;

(g) The roles and responsibilities of the Office of the Chief Information Technology Officer and the Department of Field Support regarding information and communications technology activities, including on lines of authority, accountability and the division of labour set out in the new organizational structure;

II

Enterprise resource planning project

1. *Recalls* paragraph 4, section II, of resolution 60/283, and its decision to replace the Integrated Management Information System with a next-generation enterprise resource planning system or other comparable system;

2. *Stresses* that the implementation of the enterprise resource planning system should aim at consolidating the management of all financial, human and physical resources under a single integrated information system for the entire Organization, including for peacekeeping and field missions;

3. *Recognizes* the considerable operational and financial risks involved in the implementation of the enterprise resource planning system, and stresses the need for the Secretary-General to ensure full accountability and clear lines of responsibility for the project;

4. *Notes* the Secretary-General's intention to implement the functionalities of the United Nations enterprise resource planning system in ways that would mitigate organizational and managerial risks;

5. *Stresses* the need to implement the various functions of the enterprise resource planning system across the global range of United Nations offices in a well-planned, step-by-step manner that ensures adequate preparation and training for each location and that minimizes the burden of change on the Organization and its resources, in order to further mitigate organizational and managerial risks;

6. *Notes* that the enterprise resource planning system provides for an integrated suite of information technology applications, as outlined by the Secretary-General in paragraph 20 of his report,[1] and requests the Secretary-General to report on those applications to the General Assembly at its sixty-fourth session;

7. *Approves* the proposed governance framework of the enterprise resource planning project;

8. *Notes* that the enterprise resource planning governance structure proposed by the Secretary-General is distinct from the information and communications technology governance structure;

9. *Recognizes* that the successful implementation of the enterprise resource planning project requires the full support and commitment of senior management, as well as close and continuous engagement with key stakeholders;

10. *Emphasizes* that the enterprise resource planning project should be viewed primarily as a business project driven by business process demands and delivered through complex information technology systems requiring a high level of technical expertise;

11. *Recalls* that the objective of the enterprise resource planning project is to enhance the effective and transparent use of the resources of the Organization and, in that regard, emphasizes the need to identify tangible and measurable efficiency and productivity gains arising from the project;

12. *Requests* the Secretary-General to limit customization of the enterprise resource planning software to the extent feasible in order to ensure cost-effectiveness as well as flexibility in upgrading to new versions of the software and to report on any necessary customization with full justification of rationale and cost;

13. *Also requests* the Secretary-General, where customization for a particular function is unavoidable, to consider enhancing existing systems or using specialized software that can integrate with the enterprise resource planning system where it is more cost-effective in the long-term;

14. *Stresses* that changes to the working practices and business processes of the Secretariat should always be considered before undertaking customization;

15. *Expresses* its readiness to consider any duly justified proposal aimed at reducing customization, stressing that any proposed changes to the United Nations regulations must obtain prior approval of the General Assembly;

16. *Stresses* that, as a later adopter of the enterprise resource planning system, the United Nations can benefit from the lessons learned by other entities of the United Nations system that have implemented such systems;

17. *Takes note* of the overall resource requirements for the implementation of the enterprise resource planning systems for the United Nations as contained in the relevant report of the Secretary-General;[3]

18. *Approves* the amount of 20,000,000 United States dollars, comprising 5,110,000 dollars to be funded from the regular budget for the biennium 2008-2009, 7,050,000 dollars from the peacekeeping support account for the period from 1 July 2008 to 30 June 2009 and 7,840,000 dollars from extrabudgetary resources for the biennium 2008-2009 for the implementation of the enterprise resource planning system;

19. *Decides* to approve the utilization of the amount of 2,346,000 dollars of interest accrued under the Integrated Management Information System Fund available as at 31 December 2007 to offset the regular budget requirements for the enterprise resource planning project approved in paragraph 18 above;

20. *Requests* the Secretary-General to meet the regular budget share of requirements for the enterprise resource planning system in the amount of 2,764,000 dollars from the overall resources appropriated for the biennium 2008-2009 for the regular budget and to report the related expenditure as necessary in the second performance report for the biennium 2008-2009;

21. *Authorizes* the Secretary-General to enter into commitments in a total amount not to exceed 7.05 million dollars for the support account for peacekeeping operations for the period from 1 July 2008 to 30 June 2009 in respect of the support account share for the enterprise resource planning project;

22. *Takes note* that an estimated amount of 7,840,000 dollars will be financed from extrabudgetary resources for the biennium 2008-2009;

23. *Endorses* the cost-sharing arrangement for the financing of the enterprise resource planning project proposed by the Secretary-General in paragraph 79 of his report;[3]

24. *Decides* not to suspend the provisions for the application of credits under regulations 3.2 (d), 5.3 and 5.4 of the Financial Regulations and Rules of the United Nations, regarding the use of available balances in the surplus account of the United Nations General Fund and the unencumbered balance of active peacekeeping operations;

25. *Authorizes* the Secretary-General to establish a multi-year special account to record income and expenditures for this project;

26. *Requests* the Secretary-General to keep the enterprise resource planning governance structure under review and to report to the General Assembly at the main part of its sixty-fourth session on the enterprise resource planning project, including:

(a) An assessment of the organizational arrangements;

(b) A revised enterprise resource planning project implementation and updated budget, taking stock of the design phase, with a full and detailed justification of the resources needed;

(c) An updated business case, including details on tangible and measurable efficiency and productivity gains in the areas of operation and administration to be achieved through the implementation of the enterprise resource planning system, as well as benchmarks for measuring progress and the anticipated return on investment;

(d) Highlighting those modules that are essential for the implementation of the International Public Sector Accounting Standards;

(e) An update on the implementation of the customer relationship management and enterprise content management systems, including further resources required, as well as the cost-sharing arrangement for their continued implementation;

(f) Justification of the need, and options for, contingency resources, including a possible budgetary alternative;

(g) Options for a reduced enterprise resource planning package at lower cost;

III
Customer relationship management and enterprise content management systems

1. *Recognizes* the benefits of the implementation of the customer relationship management and enterprise content management systems, and requests the Secretary-General to continue to implement those applications throughout the Organization, as appropriate;

2. *Stresses* that the customer relationship management and enterprise content management systems shall be developed and implemented under the authority of the Chief Information Technology Officer in order to ensure a coordinated approach to the development of enterprise systems;

3. *Emphasizes* the need to ensure complementarity between the customer relationship management and enterprise content management systems with the forthcoming enterprise resource planning system;

4. *Decides* to approve additional resource requirements for the enterprise content management project in the amount of 2 million dollars under the regular budget for the biennium 2008-2009, and requests the Secretary-General to meet the above requirements from within the overall resources appropriated for the biennium 2008-2009 for the regular budget and report on the related expenditure, as necessary, in the second performance report for the biennium 2008-2009;

5. *Notes* that implementation of the customer relationship management and enterprise content management systems is already in progress, and that at the time of the inception of those projects, the Secretary-General had not made a full proposal to the General Assembly;

IV
Security, disaster recovery and business continuity

1. *Emphasizes* the necessity for appropriate information and communications technology security, disaster recovery and business continuity plans;

2. *Requests* the Secretary-General to consolidate systems in central data centres in order to strengthen disaster recovery and business continuity and to minimize the size of local primary and secondary data centres;

3. *Also requests* the Secretary-General to prioritize systems in order to minimize the cost of disaster recovery and business continuity;

4. *Recalls* section XV of its resolution 60/266, and stresses the need to ensure timely and secure communications and information exchange within and between duty stations, as well as to ensure that a robust and fault-tolerant infrastructure is in place to continue or restart operations in the event of a natural or a man-made disaster or disruption;

5. *Notes* that the Secretariat lacks an Organization-wide approach to disaster recovery and business continuity, thereby exposing the Organization to considerable risks, and, in this regard, welcomes the development of a unified approach to disaster recovery and business continuity activities throughout the Secretariat;

6. *Encourages* the Secretary-General to take a unified approach to disaster recovery and business continuity, utilizing all available infrastructure, in order to achieve economies of scale and cost efficiencies;

7. *Deeply regrets* that the Secretary-General entered into a long-term lease for the proposed Long Island data centre before the viability of the site as a secondary data centre for United Nations Headquarters had been fully established, and urges the Secretary-General to explore alternative uses for the leased space as a matter of urgency;

8. *Notes with concern* that the delay this caused may lead to further cost escalation, including to the capital master plan, and risk to data;

9. *Notes* the particular challenge of providing disaster recovery and business continuity to customized departmental information and communications technology systems, and encourages the Secretary-General to pursue an enterprise information and communications technology approach wherever possible;

10. *Requests* the Secretary-General to ensure that the United Nations uses enterprise data centres rather than local data centres as far as possible;

11. *Decides* not to approve the proposal of the Secretary-General for a new secondary data centre at this stage, and requests him to report to the General Assembly at the first part of its resumed sixty-third session on the risk mitigation measures to be taken during the relocation of the primary data centre to the North Lawn;

12. *Requests* the Secretary-General to submit a unified disaster recovery and business continuity plan, including a permanent solution for Headquarters;

13. *Also requests* the Secretary-General to fully explore the possibilities for consolidating and using the most reliable and cost-effective solution for data storage, business continuity services and hosting of enterprise systems, drawing on the experience of other United Nations entities and global developments in information and communications technology, and to report thereon to the General Assembly at the main part of its sixty-fourth session;

14. *Encourages* application and data re-engineering where it supports the long-term goal of managing data recovery and business continuity in system-wide enterprise data centres and where, from a long-term perspective, it is more cost-effective than hosting them at a local data centre;

15. *Notes with appreciation* the commitment of the Government of Spain and approves the related proposal to host a secondary active telecommunications facility at Valencia, Spain, to support peacekeeping activities;

16. *Decides* not to proceed at this stage with plans to host computing and data storage equipment relating to Secretariat business continuity operations and enterprise solutions at the secondary active communications facility at Valencia;

17. *Requests* that the report requested in paragraph 13 above include plans to reduce the number of local data centres at Headquarters, offices away from Headquarters and peacekeeping missions;

18. *Endorses* the cost-sharing arrangement proposed by the Secretary-General for the new primary data centre of the United Nations Headquarters;[20]

19. *Requests* the Secretary-General to present a proposal on cost-sharing arrangements in the context of the report requested in paragraph 11 above on the new secondary data centre;

20. *Takes note* of the intention to meet the estimated requirements in the amount of 149,400 dollars for the establishment of the secondary active telecommunications facility at Valencia, Spain, for the period from 1 July 2008 to 30 June 2009 from within resources approved for the same period for the United Nations Logistics Base at Brindisi, Italy;

21. *Approves* the amount of 7,145,500 dollars, comprising 5,716,400 dollars to be funded from the regular budget to be met from resources appropriated under the programme budget for the biennium 2008-2009, and authorizes the Secretary-General to report the related expenditure as necessary in the context of the second performance report on the programme budget for the biennium 2008-2009 for the establishment of a new primary data centre on the North Lawn;

22. *Authorizes* the Secretary-General to enter into commitments in a total amount not to exceed 1,429,100 dollars for the support account for peacekeeping operations for the period from 1 July 2008 to 30 June 2009 in respect of support account share for the establishment of a new primary data centre on the North Lawn;

23. *Takes note* of paragraphs 89 and 96 of the report of the Advisory Committee on Administrative and Budgetary Questions,[5] and decides to approve the amount of 2.5 million dollars, to be funded under the regular budget for the current biennium, for the provision of disaster recovery and business continuity services to Headquarters, offices away from Headquarters and field missions, and requests the Secretary-General to meet the above requirements from within the overall resources appropriated for the biennium 2008-2009 for the regular budget and report the related expenditures, as necessary, in the second performance report for the biennium 2008-2009;

V
International Public Sector Accounting Standards

1. *Takes note* of the Secretary-General's first progress report on the adoption of the International Public Sector Accounting Standards;[6]

2. *Endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions;[7]

3. *Recalls* that the General Assembly, in its resolution 60/283, approved the adoption of the International Public Sector Accounting Standards by the United Nations;

4. *Underlines* that the adoption of the International Public Sector Accounting Standards will improve governance, accountability and transparency in the United Nations system;

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[20] A/62/477, para. 113.

5. *Recognizes* that the enterprise resource planning system will serve as the backbone for implementation by the United Nations of the International Public Sector Accounting Standards;

6. *Encourages* the Secretary-General, as Chairman of the United Nations System Chief Executives Board for Coordination, to work within the Board to monitor the application of the International Public Sector Accounting Standards to ensure consistency within the United Nations system as a whole;

VI
Cost accounting

1. *Endorses* the report of the Advisory Committee on Administrative and Budgetary Questions,[19] subject to the provisions of the present resolution;

2. *Takes note* of paragraphs 12, 17 and 18 of the report of the Advisory Committee on Administrative and Budgetary Questions;[19]

3. *Notes* that cost accounting is more suitably applied to the support services of the Organization and may not be suitable for use in the substantive work of the Organization;

4. *Requests* the Secretary-General to continue to improve the methods for calculating costs of support services, including through a framework for cost accounting in order to standardize current costing practices, and to report thereon to the General Assembly at its sixty-fifth session;

5. *Requests* that the report include an analysis of other areas within the support services of the Organization in which cost accounting could be applied.